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# ASCS Commodity Fact Sheet

## SUGAR BEETS AND SUGARCANE

1990-CROP SUGAR BEET AND SUGAR-CANE PRICE SUPPORT PROGRAM

United States Department of Agriculture

Agricultural Stabilization and Conservation Service

April 1991

**LEGISLATIVE AUTHORITY AND PROGRAM OBJECTIVE**

The Agricultural Act of 1949, as amended, (the 1949 Act) requires the Secretary of Agriculture to support the price of (1) domestically grown sugarcane through nonrecourse loans at such a level as the Secretary determines appropriate, but not less than 18.0 cents per pound for raw cane sugar for the 1990 crop, and (2) domestically grown sugar beets through nonrecourse loans at such a level as the Secretary determines to be fair and reasonable in relation to the loan level for sugarcane.

Because sugarcane and sugar beets must be processed into sugar before any reliable valuation can be assigned, administration of the sugar loan program must involve processors.

**LOAN PROGRAM**

Under the 1990 crop loan program, the USDA's Commodity Credit Corporation (CCC) offers price support loans for raw cane and beet sugar processed from domestically grown sugarcane and sugar beets between July 1, 1990, and June 30, 1991.

Loans on 1990 crop sugar are available from October 1, 1990 through June 30, 1991. Loans are made for six months, but all loans must mature by the end of the 1991 fiscal year--September 30, 1991.

NATIONAL AVERAGE LOAN RATES

| | |
|---|---|
| Raw Cane Sugar | 18.00 cents per pound |
| Refined Beet Sugar | 21.93 cents per pound |

**Regional Loan Rates:**
Regional loan rates are based on the actual regional freight costs for the most recent marketing year between the individual production regions and their respective normal destinations.

| Processing Region and Sugar Type | Regional Loan Rate 1/ (Cents per Pound) |
|---|---|
| Raw Cane Sugar: | |
| Florida | 17.95 |
| Louisiana | 18.44 |
| Texas | 18.25 |
| Hawaii | 17.66 |
| Puerto Rico | 18.20 |
| Weighted National Average | 18.00 |

Regional Loan Rates continued next page.

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| Processing Region and Sugar Type | Regional Loan Rate 1/ (Cents per Pound) |
|---|---|
| Refined Beet Sugar : | |
| 1 - Michigan and Ohio | 22.80 |
| 2 - Minn. and E. half N. Dakota | 22.06 |
| 3 - Colorado, Neb. and SE quarter of Wyoming | 21.65 |
| 4 - Texas | 22.40 |
| 5 - Montana, NW quarter of Wyoming, W. half of N. Dakota | 21.44 |
| 6 Idaho east of eastern boundary of Owyhee County and such boundary extended northward | 21.27 |
| 7 - Idaho west of eastern boundary of Owyhee County and such boundary extended northward; Oregon | 21.27 |
| 8 - California | 22.21 |
| Weighted National Average | 21.93 |

1/ The proceeds from loans obtained at these rates will be reduced by 1.4 percent to reduce program outlays as mandated by the Omnibus Budget Reconciliation Act of 1987.

**Regional Support Prices:**
Processors who execute a note, security agreement, and storage agreement, in order to be eligible to receive sugar loans, as prescribed by the CCC, shall be required to pay eligible producers a minimum price for sugarcane or sugar beets delivered for processing.

| State and Region | Support Prices 1/ ($ per net ton) 2/ |
|---|---|
| Sugarcane: | |
| Florida | 25.78 |
| Louisiana | 21.98 3/ 4/ |
| | 23.70 5/ |
| Texas | 19.57 3/ |
| Hawaii | 22.97 |
| Puerto Rico | 17.94 3/ |
| Sugar Beets : | |
| Region | |
| 1 | 30.00 |
| 2 | 32.01 |
| 3 | 33.77 |
| 4 | 36.54 |
| 5 | 33.70 |
| 6 | 33.96 |
| 7 | 33.96 |
| 8 | 35.04 |

1/ These support prices are subject to a 1.4 percent reduction in order to reduce program outlays as mandated by the Omnibus Budget Reconciliation Act of 1987.
2/ Net ton is gross weight less dirt, leaves, trash and other extraneous material.
3/ Dollars per gross ton.
4/ With core sampler.
5/ Without core sampler.

*This Program or Activity will be Conducted on a Nondiscriminatory Basis Without Regard To Race, Color, Religion, National Origin, Age, Sex, Marital Status, Disability, Personal Sponsorship, or Political Affiliation.*